Approved For Release 2002/07/02: CIA-RDP78Z02997A000700190019-19 CIA/DDI/USR Condribution on

KIQ 37: Will China maintain its economic development and to what extent will it rely on the West to
support its economy, especially in areas related to its
military-industrial complex?

Include how weapon systems and defense programs are financed and how they influence defense and overall economic planning and performance.

I. COLLECTION AND PRODUCTION NEEDS

The principal areas on which reporting and analysis are desired during the fiscal year are:

Target A: Information on the size and composition of the PRC defense budget, including all sources of funds for MOD programs.

II. ORGANIZATIONAL COMMITMENTS

A. Collection

25X1	Target A:	
25X1	will continue to be the primary	
	collectors on this target. This will be supple-	
-	mented by	25X1
25X1	reporting.	

DIA REVIEW COMPLETED



B. Production

The production of intelligence on Chinese military finances will be primarily a continuation of long-standing efforts. In particular, the intelligence community commits itself to the following intelligence products:

 CIA/OSR will develop estimates of PRC military expenditures in terms of both dollars and yuan.

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SECRET

WARRING DIRTH

25X1

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DIA/SERVICES CONTRIBUTION ON KIQ 37

KIQ 37: Will China maintain its economic development, and to what extent will it rely on the West to support its economy especially in areas related to its Military Industrial complex? Include how weapon systems and defense programs are financed and how they influence defense and overall economic planning and performance.

I. COLLECTION AND PRODUCTION NEEDS

A. <u>COLLECTION</u> - the principal areas on which reporting and analysis are desired during the fiscal year are:

TARGET A - Information regarding the military planning SMML M of R and budget process to include procedures, sequence, and priorities.

TARGET B - Organization of the Military Industrial complex okand its interrelation with the national economy and economic/military development including both costs and benefits.

TARGET C - Information regarding the importation of foreign technology and resources to develop the economy, specifically including military programs.

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II. ORGANIZATIONAL COMMITMENTS

A. COLLECTION

SECRET